

LEADERSHIP & TEAM MANAGEMENT



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INTRODUCTION

This video introduces the concept of leadership and team management that can maintain innovative change.



EXPECTED LEARNING OUTCOMES

KNOWLEDGE	<ul style="list-style-type: none">• Knowledge of new leadership styles and skills that enable circular economy and industry 4.0 entrepreneurs to succeed• Knowledge of key elements of Management 4.0 skills and their application to the green economy• Knowledge of team development within an innovative environment, generating shared purpose and supporting experimentation. https://archive.ellenmacarthurfoundation.org/explore/make-a-circular-economy-pitch-in-your-organisation
SKILLS	<ul style="list-style-type: none">• Compare and contrast new and old leadership styles.• Evaluate how 'Management 4.0' skills can support a circular economy business• Describe methods of engaging team members, allocate and manage team roles and support experimentation
ATTITUDES	<ul style="list-style-type: none">• Willingness to adopt new leadership styles and skills that make effective circular economy leaders.• Understand and apply Management 4.0 skills within the circular economy.• Willingness to empower and unite teams to gain support for a new idea or process.





SELF-REFLECTION EXERCISE

Please fill the self-reflection exercise to test your knowledge about leadership and team management. There are only five questions, be careful, there are questions where the right answers are more than one.

[Click here to be taken to the quiz.](#)



**NEW LEADERSHIP STYLES
AND SKILLS THAT ENABLE
CIRCULAR ECONOMY
AND INDUSTRY 4.0
ENTREPRENEURS TO SUCCEED**

“There is a difference between being a leader and being a boss. Both are based on authority. A boss demands blind obedience; a leader earns his authority through understanding and trust.” (Klaus Balkenhol)

Leadership as an integral part in companies and industries, consists since the beginning of all business activities. Specific circumstances make changes inevitable; leaders are requested to initiate and direct the change. When the whole planet and environment is asking for a change, the challenge in leadership is at the top level and it requires sustainable and unified actions to realise the change. Leadership styles need to evolve to create socially, environmentally and financially sustainable businesses. Communication, empowerment and engagement skills are absolutely vital to these new styles. Also, as workplaces are transformed by the Fourth Industrial Revolution (industry 4.0), and as the expectations of employees and consumers change, leaders are needed to change too.

What do you mean by Industrial Revolution (industry 4.0)? Industry 4.0, referring to the “Fourth Industrial Revolution”, represents the use of contemporary technologies to improve operational efficiency. From a technological evolution perspective, the development of industrialization is moving towards Industry 4.0 with the application of modern information and communication technologies. Industry 4.0 is connected with the integration of Internet of Things, cloud computing and big data analytics, industry automation, data networks, and contemporary manufacturing technologies. In practice, the use of Industry 4.0-related technologies is expected to facilitate fundamental improvements in



industrial processes from product design to manufacturing and delivery, and the establishment of smart factories.

Therefore, organisations “should be developing skills and measuring leadership in ways that help leaders effectively navigate greater ambiguity, take charge of rapid change, and engage with external and internal stakeholders.” We are seeing leadership styles beginning to change from the ‘command and control’ style of the past to new forms of leadership, driven not only by technology but also by changing demographics and the expectations of employees and customers. Depending on how the leader is trying to execute the change, people might follow with passion or they don’t. In some cases, the leader must make the people follow, it is unavoidable because of a bigger goal that is not only influencing our every day’s business life, but also the whole planet and future generations. Consequently, it should be a good and charismatic leader that is enabling the change – it should be a strong organisation that makes the people follow, and the key message must be understood.

There is an opinion that collaborative leadership and effective collaboration is a necessity for us to achieve our circular objectives. Creating a working culture where we are all pulling in the same direction, regardless of role or country in which you work, is a prerequisite for success. Getting there will demand leaders with the right skills who are part of the journey of change. As a leader you have to understand that all people react differently, to change for example, and that recognising and managing that fact, and perceiving different needs, is a prerequisite for good leadership. A collaborative working climate is based on all employees



taking responsibility for themselves and understanding what is accepted and what is not accepted in the corporate culture, and also acting according to the regulations that are in place. Getting there requires a change in the leadership, with the leaders focusing on collaboration and setting clear goals to create a safe and sustainable working environment.

Also, we are seeing increasing focus on “inclusive”, “everyday” and “diverse” leadership styles. There is also much comment on the growth of “digital leaders” - early-adopter tech-savvy leaders who constantly increase their own understanding of technology to take advantage of digital, data and artificial intelligence opportunities. As artificial intelligence becomes more sophisticated, it will start to make or assist decisions that have a greater impact on individual lives. This will raise ethical challenges as people adjust to the larger and more prominent role of automated decision making in society. As the presence of technology in the workplace increases, it seems ever more likely that human qualities such as emotional intelligence, intuition and collaboration will become vital ingredients in creating a successful and thriving organisation. There are already concerns of potential bias in algorithmic decision-making in society and ethical issues with artificial intelligence can have a significant impact on a company’s brand and reputation, and on the lives of staff, customers and wider stakeholders. Many leaders are already aware of these concerns. A 2018 survey by Deloitte found that 32% of business leaders in the US ranked ethical issues as one of the top three risks of artificial intelligence.



**HOW *'MANAGEMENT 4.0'*
SKILLS CAN SUPPORT
A CIRCULAR ECONOMY
BUSINESS?**

Team management refers to the various activities which bind a team together by bringing the team members closer to achieve the set targets. For the team members, their team must be their priority and everything else should take a back seat. They should be very focused on their goals. With the use of modern technologies, integrated networks, cloud communication, and other platforms, management also saw an increase in quality, revolutionizing the way companies are managed. Management 4.0 is a part of the Fourth Industrial Revolution, which is characterized by the incorporation of digital elements to transform the industry. It is a response to new managerial demands, ensuring real-time data collection for more effective decision-making. In essence, Management 4.0 centers on two main principles: industry modernization through technology and the observation of customer behaviour. The intersection of these concepts allows you to manage your business more strategically, aside from enabling more creative and innovative ways of generating revenue.

Management 4.0 is a natural path to digital transformation, implementing more complex solutions in business routines. There are some advantages which can support a circular economy business:

- More agility and confident decisions
- Increased profitability, as a result of more strategic choices for your business.
- End products with more added value
- Competitive market advantages
- Improved customer experience
- Improvement in the relationship between managers and teams



Management 4.0 is based on the essential principles that follow the changes of this new generation of the industry. Putting the customer first when making decisions, offering an omnichannel service, and recognizing the value of automation. What principles guide Management 4.0? The answer is:

1. Customer-centricity. The relationship between consumers and brands has changed. Customers are more active and have a direct role in the entire production process. Moreover, they have a real influence on the purchasing process of other customers.
2. Channel diversification. Assisting customers in different channels is no longer a competitive advantage, but a business necessity.
3. Automation. Automation is another point that has become accessible and adopted by many different types of business. With automated technologies, companies can optimize operational tasks and invest teams' knowledge in strategic activities.
4. Data analysis. Management 4.0 is entirely based on data. With concrete information, you can decide where and how you can invest your resources as well as improve your business management.
5. High-performance teams. The combined use of automation and data ensures growth in your human capital performance. Teams have more time to invest in innovation, while operating activities are done by machines and technological systems. Furthermore, you can improve your sales approach based on valuable information about the market and customers.



6. Integration of sectors. Industry 4.0 technologies also ensure the integration of different business sectors, with the result that everyone works with a focus on the same objectives and strategies.

Concluding, there are identified three main categories to classify core Management 4.0' skills and competencies which can support a circular economy business. Firstly, Technical Competencies that comprise all job-related knowledge and skills for example media skills, coding skills, knowledge management, and statistical command. Technical skills are abilities an individual acquires through practice and learning. Secondly, all skills and abilities for the general problem are problem solving and decision making for example: analytical and research skills, conflict and problem solving, creativity. They focus on the ability to make business decisions and lead subordinates within a company, including ability, negotiation tactics and response behaviour. Thirdly, Social Competencies which include an individual's social values, motivations for example: ability to transfer knowledge, leadership skills, ability to work in a team. Social ability in which expectations for future interaction with others are built, and based upon which individual perceptions are developed of their own behaviour.



NEW AND OLD LEADERSHIP STYLES

When looking at the development of the Circular Economy Movement, a deeper insight into the theoretical framework is necessary in order to understand the decisions taken in the past. Naturally, the Circular Economy Movement received the highest attention due to the economical and recycling awareness in the last years. However, the subjects that most probably had the biggest influence in going towards a Circular Economy are Leadership, as it requires strong leadership, right decisions and people to follow in order to realise the change.

In the literature, many different leadership theories exist. Here in this article the focus will lie on “Great Man Theory”, “Contingency Theory” and “Transformational Theory”. For many companies founded years back and still existing, the different leadership theories might reflect the past leadership styles. At the beginning of the foundation, a great man had the vision to create, or in this case it was somebody to start the movement. Over the years, as the company or the industry grew, it was unavoidable that the organisation opened to be flexible for environmental influences. The transformational theory says that the motivational skills of leaders shall enable their staff to grow, which might result in the wish of self-fulfilling, freedom and flexibility. In this context, it will be the motivational skills of people, companies or organisations to enable innovations.

Great Man Theory. Born and founded in the 19th Century, the “Great Man Theory” explains leaders as Great Men, as charismatic heroes, as people that can change history. “Heroes certainly have their uses. They capture imaginations,



unveil possibilities, and rally sympathies. They inspire." The presence of a great man alone is enough to motivate other people. Applying on a modern business environment, a great man can be a charismatic founder of a company, who is able to catch people, or an active and sound sales director who is the one to attract his or her sales staff.

Contingency Theory. As per the word "contingency", this theory sees environmental influencing factors as main drivers for decision making and leadership. There is no best-practice in general, but there might be best-practices for cases or circumstances. The essence of this leadership theory might be – setting the right steps in the right moment. organisation as an open organism, which must interact and achieve an appropriate relation with that environment, meaning that the organisation must be flexible to adopt to any potential changes in the environment. This approach can be somehow seen as controversial to the Great Man Theory, as this theory sees the leader as the reason for success or failure, and not the influencing factors from outside. Staff behaviour in terms of stress level, group and leader support may vary from one situation to the other, resulting in the need for leadership style adjustments.

Transformational leadership can be applied when trying to increase participation and motivation in teams and to identify a potential need for change. In contrast to the transactional leadership, where rewards are the main incentives for effort, the transformational leader tries to motivate typically by charisma, inspiration, intellectual stimulation and individualised consideration, resulting in an increased performance of the staff. This model could be very modern, as in a common business environment in recent years motivation and enabling the staff to grow is key to success. However, this theory also can be linked to the great man theory, where an individual came up with an idea and others followed.





Company's leadership and culture need to embrace and reward circular innovation because circular models require a fundamental rethink of how companies create value. Previously mentioned leadership styles influenced new leadership which has a circular approach; and if an organization wishes to compete on quality and innovation as an important strategic weapon in the future, then it is very important to ensure that it is important to have leaders who have skills such as creative thinking, know how to communicate, and work as a team. Besides that, they must have knowledge of new technologies, that is cyber-physical production systems and combine that with the best quality management practices, where their decisions will be based on Big Data. In addition, they should acquire knowledge about new technologies, as they appear. They must know how to motivate their work teams, be open to change, know how to make decisions and above all, they must know how to manage conflicts and they have to understand how to control their own emotions. It also must be noticed that in the future, the exchange of ideas will take precedence over the exchange of goods. They must have the ability to adapt to changes and challenges that arise.

**METHODS OF ENGAGING
TEAM MEMBERS, ALLOCATING
AND MANAGING TEAM
ROLES AND SUPPORTING
EXPERIMENTATION**

It's vital to create a space where the company's team is happy in their work, able to stay creative and remain on track. Teamwork involves a group of people coming together, making decisions and working toward a common goal. Everyone in the team has a responsibility to deliver and help keep the team on track. Managing a team is tough and requires strong leadership. Team management refers to the techniques involved in leading a group of individuals and helping them to accomplish their tasks. Team management involves:

- Communication management
- Goal setting
- Delegation
- Team performance management
- Conflict management

Five advices of effective team management and some methods of engaging team members, allocating and managing team roles for supporting creativity and experimentation:

1. **Transparency:** Work environments built around transparency and accountability bring teams closer together. They inspire trust in the leadership, encourage openness and collaboration and enable faster problem solving. With open and consistent communication, your team will feel secure in a safe space for them to contribute ideas and be creative. Marc de Grandpre, Senior VP of Marketing at KIND Healthy Snacks, agrees that transparency and authenticity in the workplace are hugely important. He says: "How can your company learn, grow and succeed if people are afraid to be



themselves, voice their opinions and genuinely show that they care about the brand and team? Having the company become a sort of safe space allows for brilliant ideas to flow and for problems in your company to be flagged and addressed head-on.” It’s not always easy to establish the clear roles and responsibilities needed to make a transparent team. The tool’s shared project boards help maintain a clear overview of projects and responsibilities: https://www.meistertask.com/?r_campaign=busi-simple-team-management&ga=2.108732034.1899088762.1664402240-590171770.1664402240

2. **Keep Communication Flowing.** Communication is the secret to making sure that the company’s team gets the job done. Leaders of a company should aim to create an environment in which every employee can provide honest, constructive feedback. Team members should feel comfortable voicing concerns and communicating with one another. Managing a team means building teamwork culture. This is a core team management skill that it is necessary to develop. As teamwork depends on communication, it is important to give teams the tools they need to work together. And there are a lot of communication tools, for example, whatsapp, Slack, Google Hangouts, Google meets, and many others.



3. **Provide Regular Feedback.** Effective team management means better collaboration. Providing feedback to team members is one of the best ways you can help them to develop. Jean-François Manzoni, Professor of Leadership and Organizational Development at IMD International, explains: “You do your star a disservice if you fail to help her figure out how she can continue to grow.” If you identify areas for improvement, it’s a good opportunity to share constructive feedback. Giving feedback can be difficult, but it’s an essential part of effective team management.
4. **Encourage Collaboration and trust Your Team.** To achieve a good balance, encourage your team to embrace creative collaboration. Make the most of team members’ different skill sets by ensuring everyone is aware of ongoing projects. That way, team members can jump in to collaborate wherever they feel they can bring value. A task management tools lets you track task status and project progress. Some examples of management tools: <https://www.scoro.com>; <https://monday.com/>; <https://clickup.com/> . And there are overview of 23 best task management solutions on 2022: <https://clickup.com/blog/task-management-software/>



5. **Support creativity and experimentation.** An effective leadership guide to nurturing your high-performing team's creativity and empower them to be engaged and inspired. Experimentation is one of many ways to lead a team and it comes with various responsibilities and tactics. Creative leaders embrace the process of design thinking for innovative problem-solving because of its iterative nature. Design thinking is not only a way to find a solution for complicated design applications but can be applied to our daily lives. The essence of thinking is to encourage us with experimentation and iterations. If we are able to apply design thinking concepts into solving complex problems, we should be able to apply that into our leadership style.



The background is a solid teal color with several large, overlapping, curved shapes in a slightly darker shade of teal, creating a modern, abstract design.

SOME EXAMPLES AND INSPIRATIONAL STORIES

Sometimes there are needed examples, advices and inspirational stories from successful companies of effective leadership in a circular economy.

1. Story how to transform company in a more circular approach and this can be done by creative persistent leader:

“There is no such thing as waste! At NS, we are well on our way to zero waste by 2030. Currently, 99% of our trains are reused. But this is not an easy task. 20-year-old train floors were disposed of as waste. I didn’t think this was right, so I started looking for a new purpose. To do this I approached about 200 entrepreneurs. Eventually I ended up with a circular producer who could turn a train floor into a table tennis table. Once this table tennis table was built, the ball started rolling. This led to far more ideas and more entrepreneurs who wanted to be involved. Now, nearly a million train floors are being repurposed in the form of furniture, telephone booths and kitchens. So my belief is: if you can turn 20-year-old train floors, which have traveled 5.7 million kilometers and been trodden on by 44 million feet, into beautiful new products, you can’t throw anything away as waste! Do not give up! Show that it is possible. After that, scaling up is (almost) automatic.” Ilse de Vos van Eekeren
Circular Manager, Dutch Railways (NS)



2. Inspirational story how to become a business leader.
When you find yourself moving up the career ladder within a specialist or technical profession, often it can suddenly feel like you're the little fish in the big pond all over again. Surbjit Kaur, now a senior management consultant for EY, started out as a research scientist – and credits the confidence she needed to branch her career out into management to Chartered Manager. Full story are available here: https://youtu.be/_suo0TMiNyQ

3. Advice for leaders to try different relevant positions in company:
“You cannot work on the circular economy from behind your desk, you have to proactively involve all relevant partners in the value chain. To better understand the complexity (and opportunities), it certainly helps if you have had various relevant positions in your company.” Jeroen Cox, Senior Manager Energy & Environment, KPN

4. Advice to constantly learn to acquire effective leadership skills and competencies:
We can all become leaders through the process of teaching, mentoring, learning, and studying admirable leaders throughout the history of mankind. Leadership is a set of skills that we can learn by practising and requires time and patience to master it over time. It's a lifetime activity, and great leaders thrive for self-development opportunities to learn new skills and techniques. “Leaders are made, they are not born. They are made by hard effort, which is the price which all of us must pay to achieve any goal that is worthwhile” — Vince Lombardi

Title of the Task:



FINAL ASSESSMENT TASK

TITLE OF THE TASK

Your individual leadership style

AIM OF THE ACTIVITY:

The aim of this task is to reflect on your individual leadership and team management style. If you are not a member of same organization, than imagine your dream position in a company.

TIME REQUIRED:

3h (developing an infographic) + 10 min presentation

MATERIALS REQUIRED:

An access to canva (<https://www.canva.com/>) or any other graphic design tool.

FORMAT FOR THE PRESENTATION:

Infographic

STEPS TO COMPLETE THE TASK:

1. Please watch videos about leadership:

Innovative leadership:

https://www.youtube.com/watch?v=rOb_GlGN9HA

Be The Leader You Wish You Had:

https://www.youtube.com/watch?v=Swa34BiA_Xg

How to manage for collective creativity

https://www.ted.com/talks/linda_hill_how_to_manage_for_collective_creativity/up-next



2. Think about your own leadership style and team management skills, what you have and what you would like to gain in future.

3. Using any graphic design tool (for example, [canva.com](https://www.canva.com)) develop an infographic where you explain your leadership styles and team management skills.

4. Present this information within 10 min



Please fill the final exercise to test your knowledge about leadership and time management. There are only five questions, be careful, there are questions where the right answers are more than one.

[Click here to be taken to the final test.](#)



FURTHER READING AND RESOURCES

<http://www.nzwc.ca/documents/circulareconomybusinessstoolkit.pdf>

Strategies for Learning from Failure

<https://hbr.org/2011/04/strategies-for-learning-from-failure>

How to manage for collective creativity

https://www.ted.com/talks/linda_hill_how_to_manage_for_collective_creativity/up-next

<https://absjournal.abs.edu.in/abs-Journal-volume-6-issue-2-december-2018/abs-j-v-6-i-2-december-2018-article-11.pdf>

<https://www.sciencedirect.com/science/article/pii/S0959652621008751>

The Relationship between Circular Economy, Industry 4.0 and Supply Chain Performance: A Combined ISM/Fuzzy MICMAC Approach

<https://www.mdpi.com/2071-1050/14/5/2772>

Identifying Future Skill Requirements of the Job Profiles for a Sustainable European Manufacturing Industry 4.0

<https://www.mdpi.com/2313-4321/7/3/32/html>